



Order Filed on February 5, 2018  
by Clerk  
U.S. Bankruptcy Court  
District of New Jersey

**UNITED STATES BANKRUPTCY COURT  
DISTRICT OF NEW JERSEY**

**Caption in Compliance with D.N.J. LBR 9004-2(c)**

**UNITED STATES ATTORNEY'S OFFICE**

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*Attorneys for the United States of America*

*In re*

PHILIP CASILLO,

Debtor.

Chapter 13

Case No. 17-20445-RG

Judge: Hon. Rosemary Gambardella

**STIPULATION AND ORDER DETERMINING THE EXTENT OF THE  
SECOND LIEN  
OF THE U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**

The relief set forth on the following pages, numbered two (2) through three (3) are hereby  
**ORDERED**

**DATED: February 5, 2018**

A handwritten signature in cursive script, reading "Rosemary Gambardella", is written over a horizontal line.  
Honorable Rosemary Gambardella  
United States Bankruptcy Judge

Debtor: Philip Casillo

Bankr. Petition No. 17-20445-RG

Caption of Order: Stipulation & Order Determining Extent of Second Lien of U.S. Dept. of HUD

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The debtor Philip Casillo (the “Debtor”), and creditor, U.S. Department of Housing and Urban Development (“HUD”), enter into the following stipulation pertaining to the extent of HUD’s lien on real property owned by the Debtor:

HUD has a valid mortgage (the “HUD Subordinate Mortgage”) on the real property owned by the Debtor, commonly known as 33 East Lakeshore Drive East, Vernon, New Jersey 07422 (the “Property”).

The HUD Subordinate Mortgage in the amount of \$27,311.88, shall be abrogated and null and void if the Debtor completes his chapter 13 plan in these proceedings and receives an order of discharge.

HUD shall have an allowed unsecured claim of \$27,311.88, against the Debtor.

Upon the Debtor’s successful completion of his chapter 13 plan and receipt of an order of discharge, the HUD Subordinate Mortgage shall be terminated.

In the event that the Debtor refinances the loans on the Property, or sells the Property prior to the completion of these chapter 13 proceedings and receipt of a chapter 13 discharge, then the HUD Subordinate Mortgage will be paid: (i) in the event of a refinancing, in full at closing; and (ii) in the event of a sale, to the extent of proceeds remaining after satisfying senior mortgages on the Property, unless a lesser amount is agreed to by the parties.

In the event that the Debtor fails to complete his chapter 13 plan in these

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proceedings and fails to obtain a chapter 13 discharge order in bankruptcy case number 17-20445, this Order shall not affect the validity or enforceability of the HUD Subordinate Mortgage and may not be enforced in any subsequent bankruptcy case filed by the Debtor either to compel the holder of the HUD Subordinate Mortgage to execute a discharge of the HUD Subordinate Mortgage, or to otherwise act as a discharge or release of the HUD Subordinate Mortgage.

Upon completion of the Debtor's chapter 13 plan and the entry of a chapter 13 discharge order in these proceedings, the Debtor may record a certified copy of this Order, with a copy of the Debtor's chapter 13 discharge order attached, which will constitute and effectuate the discharge of the HUD Subordinate Mortgage.

IN WITNESS WHEREOF, HUD and the Debtor have agreed to the foregoing as of the dates written below.

Dated: January 31, 2018

Dated: January 30, 2018

**CRAIG CARPENITO**  
**UNITED STATES ATTORNEY**  
**DISTRICT OF NEW JERSEY**

**PHILIP CASILLO**

/s/ Eamonn O'Hagan

/s/ Stephen B. McNally

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